GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:2696
ANSWERED ON:10.03.2003
LEASE OF AIRCRAFT
VILAS BABURAO MUTTEMWAR

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether lease rental on the acquisition of aircraft have been declining;

(b) if so, the details of reduction in these rents by the different companies;

(c) the number of aircrafts presently on lease with the Indian Airlines/AirIndia and the lease rent paid therefor;

(d) whether the Government propose to acquire aircrafts on lease with a view to augment its fleet; and

(e) if so, the number of aircrafts proposed to be acquired and the lease rent to be paid thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI SHRIPAD YESSO NAIK)

(a) & (b): Dry lease rentals are fixed for a period of three years. However, the lease rentals for the succeeding dry leases entered into by these airlines have shown a decline as compared to the first dry lease.

(c):Details are as under:-

Air India

No.& Type of Aircraft Lease Rental per month in USD

Two A310 281000 each
Two A310 250000 each
One A310 235000
One A310 230000
One A310 220000
Two A310 240000 each
One B747-400 510000

Indian Airlines

Two A300 105,000 each
Six A320 244000 each
Four ATR42 67500 each

(d) and (e): Lease of aircraft is a short term measure for the airlines to meet the immediate demand. For meeting the long term requirements, both the airlines have plans to acquire new aircraft. However, Air India is considering induction of two additional A310-300 aircraft on dry lease. The lease rentals for these aircrafts cannot be determined at present as Air India is still in the process of inviting global tenders. Indian Airlines is also considering the induction of five A320 aircraft at a lease rent of USD 140,000 per month per aircraft in order to replace A300 aircraft and also to augment capacity.